- 4 -<u>WEST ARCADIA FIELD</u> 02-146 thru 02-148

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m., on **TUESDAY, MARCH 26, 2002,** upon the application of **KCS MEDALLION RESOURCES, INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of an Order pertaining to the following matters relating to the **Pettit Zone**, **Upper Hosston Formation**, **Reservoir A**, in the West Arcadia Field, Bienville Parish, Louisiana.

- 1. To authorize KCS Medallion Resources, Inc. to drill, designate and utilize its Thomas 16 No. 1 Well as a substitute unit well for PET SUE at the location shown on the plat submitted with the application, in exception to the spacing provisions of applicable orders.
- 2. To establish a single additional drilling and production unit for the exploration for and production of gas and condensate from the Lower Hosston Formation, Reservoir A, to be designated L HOSS RA SUF, as shown outlined on the plat submitted with the application.
- 3. To force pool and integrate all of the separately owned tracts, mineral leases and other property interests within the proposed unit in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950 with each tract sharing in unit production on a surface acreage basis of participation.
- 4. To recognize the Xeric Oil & Gas Corp. Hamner No. 1 Well as the unit well for U HOSS RA SUE and Xeric Oil & Gas Corp. as operator of said well.
- 5. To designate the KCS Medallion Resources, Inc.- Thomas 16 No. 1 Well as the alternate unit well for U HOSS RA SUE and KCS Medallion Resources, Inc. as operator of said well.
- 6. To specifically recognize Xeric Oil & Gas Corp. and KCS Medallion Resources, Inc. as the operator of their respective wells located on U HOSS RA SUE and to authorize said operators to separately report production from such wells to the Office of Conservation.
- 7. To designate the KCS Medallion Resources, Inc. Thomas 16 No. 1 Well as the unit well for L HOSS RA SUF at the location shown on the plat submitted with the application.
- 8. To extend existing field rules to the proposed units except to the extent inconsistent herewith.
- 9. To consider such other matters as may be pertinent.

The Pettit Zone, in the West Arcadia Field, Bienville Parish, Louisiana, was fully defined in Office of Conservation Order No. 692-B, effective on and after April 1, 1966.

- 4 - Page 2

The Upper Hosston Formation, Reservoir A, in the West Arcadia Field, Bienville Parish, Louisiana, was fully defined in Office of Conservation Order No. 692, effective on and after April 1, 1965.

The Lower Hosston Formation, Reservoir A, in the West Arcadia Parish, Bienville Parish, Louisiana, was fully defined in Office of Conservation Order No. 692-C, effective on and after May 1, 1981.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana or may be found at the following site:

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

FELIX J. BOUDREAUX COMMISSIONER OF CONSERVATION

Baton Rouge, La 2/14/02;2/19/02 S dpe

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION - ENGINEERING DIVISION AT P. O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.